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Report

of the

GOVERNOR'S COMMITTEE ON MERGER

of the

DEPARTMENTS of WELFARE and PUBLIC ASSISTANCE



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COMMONWEALTH of PENNSYLVANIA

February 9, 1959

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Report

of the

GOVERNOR'S COMMITTEE ON MERGER

of the

DEPARTMENTS of WELFARE and PUBLIC ASSISTANCE



COMMONWEALTH of PENNSYLVANIA

February 9, 1959

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MRS. PHILIP ELKIN
PRESIDENT, PENNSYLVANIA ASSOCIATION FOR
RETARDED CHILDREN
DOYLESTOWN

*RESIGNED AFTER THE INTERIM REPORT WAS DELIVERED ON APRIL 1, 1958 AND BEFORE THIS REPORT WAS APPROVED.

COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S COMMITTEE ON MERGER
OF THE
DEPARTMENTS OF WELFARE AND PUBLIC ASSISTANCE

Harrisburg

February 9, 1959

The Governor and Members of the General Assembly of
the Commonwealth of Pennsylvania
State Capitol
Harrisburg, Pennsylvania

Gentlemen:

The Governor's Committee on Merger of the Departments of Welfare and Public Assistance, appointed in accordance with Act 390 of 1957, submits herewith its Report.

The function of this Committee, as stipulated by Act 390 and as further delineated by the Committee in the attached Statement of Mission adopted on December 3, 1957, involved two separable although related phases of activity.

The first and most immediate phase called for the development of a plan for merging the functions of the two departments under existing laws into a unified Department of Public Welfare not later than June 1, 1958. A plan for such merger was submitted to Governor Leader as this Committee's Interim Report of April 1, 1958. This report set forth the judgments and recommendations of the Committee as to an organizational framework which, under existing laws, provided for orderly integration and for effective and economical administration and coordination of the social welfare functions of the merged departments. This first, or interim, report constitutes Phase I of this report.

The second, longer-range phase of the Committee's assignment involved the formulation of recommendations and proposed legislation deemed necessary to implement further the merger and to effectuate the purposes of the merger Act. Phase II of this Report consists of these recommendations and is the result of the second phase of our work.

This Report is based on certain fundamental service concepts and administrative principles adopted by the Committee to serve as basic guides in consideration of alternative legislative and organizational possibilities. These are presented in "Merger Concepts and Principles" at the beginning of the Report.

In approaching its task the Committee gave careful consideration to a preliminary report prepared by a staff group representing the merged departments and the Governor's Office of Administration. A series of special research studies bearing on specific aspects of public welfare organization, administration and inter-governmental relationships, prepared by the Committee's Research Staff, provided essential factual background for the Committee's deliberations. Committee representatives conferred and consulted with administrative officials of ~~Departments of Public~~ Assistance and Welfare of Pennsylvania and of neighboring states, and with regional officials of the U. S. Department of Health, Education and Welfare. Pertinent reports and recommendations of previous studies were reviewed and taken into consideration. In addition, the Committee divided itself into subcommittees to consider the subject areas into which Phase II of this Report is divided. These subcommittees received special reports from the staff members assigned to provide technical guidance and research materials. After considering these materials the subcommittee identified specific

problems. The answers to these problems were amended and passed on by the full merger Committee.

In Phase II of this Report we deal with the areas of welfare activity we feel are most vital to effective merger. These are, (a) personnel, (b) fiscal policies, (c) hospitals and medical services, (d) boards, commissions and committees, (e) the reassignment of state welfare functions among the several departments of state government, and (f) relations between the state and the local government in the field of public welfare. Phase II of the Report is, accordingly divided into these five areas of consideration. Matters of organization and functions are, as mentioned above, confined to the appendix.

The areas covered by this report and, in fact, some of the recommendations contained herein are not entirely new. They have been considered by many qualified groups in the past. A brief review of some such activities may help to place the work of this Committee in proper historical perspective. The findings and recommendations by these various groups show a remarkable unanimity. Out of the many examples that could be given, these are illustrative:

The December 31, 1936 report of the Pennsylvania Committee on Public Assistance and Relief, Herbert F. Goodrich, Chairman, was primarily concerned with the problem of financial assistance to needy persons. However, this report recommended that services for delinquent and dependent children be combined with public assistance; that County Boards administer the programs under standards established by the State Department; that members of these Boards be named jointly by the State Department and County Commissioners. A June 15, 1937 report on Medical Care by a Special Advisory Committee to this same committee recommended a comprehensive medical care

program, including hospitalization, for persons on the borderline of financial independence as well as for persons receiving public assistance grants, to be paid for on a "free-for-service" principle as part of the public assistance program.

The practice of direct appropriations to private agencies and institutions has been criticized repeatedly. "A Survey of the Fiscal Policies of State Subsidies to Private Charitable Institutions by the Commonwealth of Pennsylvania, by Kenneth L.M. Pray, dated December 1922, (published as Part III of "Report of the Citizens Committee on Finances of Pennsylvania to Governor Pinchot) pointed out that "the testimony as to the disorderly, unsystematic, inequitable methods now employed in state appropriations to private charities is all but unanimous," and recommended "The Legislature should not designate appropriations to individual institutions . . .", the distribution of funds among agencies . . . should be . . . in proportion to the service they render . . .; State funds should be expended only for service to those who are in actual need of State help."

The report of the Joint Legislative Committee on Finances (Sterling Report) in 1934 criticized state operation of general hospitals stating "the distribution of such benefits should be felt in all sections, not in a very small number of counties. With regard to state-aided homes this same report stated that there was "a serious question as to the propriety of appropriating considerable amounts of State revenue for the maintenance of institutions which . . . should be maintained by the localities."

A report dated January 1957, resulting from a comprehensive survey by a faculty committee of the University of Pennsylvania of "Tax Supported Medical Institutional Care for the Needy and Medically Needy

of Pennsylvania" stated that, with the exception of general hospital care for assistance recipients and care in tuberculosis sanatoria, present procedures in determining eligibility for free care are subjective and arbitrary, particularly for persons who make some contributions to the costs of this care; and recommended that the present pattern of State operation of general hospitals in some localities and State aid to some hospitals, be replaced by a system of State payment for hospital care rendered persons unable to pay for such care under uniform, state-wide regulations administered as part of the public assistance program.

These are only a few of many possible illustrations of similar findings and recommendations made by thoughtful, informed persons and groups. Although the studies and recommendations have often been confined to one aspect of public welfare, each one in its own way stresses the importance of a unified public welfare program operated under State-wide standards with maximum of decentralized administration, and staffed by professionally competent personnel appointed on a merit basis.

Therefore, this Committee does not claim that all of its recommendations are essentially new. Although this Committee approached its work without any pre-conceived notions, it recognizes that many of the recommendations in this report only adapt ideas and principles previously advanced by others to present conditions in the Commonwealth and to the opportunities resulting from the merger of the former Departments of Welfare and Public Assistance.

The law creating the Merger Committee charged it with preparing "additional legislation, if needed, to the end that the purposes of this bill (Act 390 of July 13, 1957) may be effectuated." To fulfill this responsibility, the Committee has asked me to appoint a Subcommittee for

Preparation of Legislation. This group will be happy to meet with appropriate executive and legislative representatives to draft enabling legislation for the consideration of the General Assembly.

The Committee gratefully acknowledges the technical guidance and assistance rendered by its research staff: Mr. Manuel Kaufman, Deputy Commissioner of the Philadelphia Department of Public Welfare, and Dr. Robert A. Christie, who served as Staff Coordinators; Mr. Charles Cella, Supervisor of the Government Consulting Service of the Fels Institute of State and Local Government, University of Pennsylvania; and Mr. John Ingram, Director of the State Division, Pennsylvania Economy League. The committee also received much useful technical guidance from Dr. John Ferguson, Secretary of Administration, and his assistant Mr. James W. Greenwood, from Secretaries of Public Welfare Mr. Harry Shapiro and Mrs. Ruth G. Horting, and from the following staff members of the Department of Public Welfare: Mr. Donald Van Valen, Mr. Edwin McMahon, Mr. Chauncey Gunderman, Miss Annabelle McNeil, Miss Helen McManus and Mr. Norman Lourie. The Office of Administration and the Department of Public Welfare also furnished secretarial and clerical services.

Respectfully yours,

(s) Thomas B. Harvey

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Summary of Recommendations

For details of recommendations see body of this Report.

1. The Department of Public Welfare should be so organized as to provide specialized units for each of its major program areas, coordination of all activities by the Office of the Secretary, and maximum possible integration of all welfare activities, public and private, at the local level.
2. A Department-wide merit system of personnel should be established. This system should recognize the special needs of the Department of Public Welfare. Only the Secretary and his principal aides should be excluded from the merit system.
3. Direct appropriations to private agencies and institutions should be replaced by a system of purchase of services and of reimbursement to local public agencies.
4. The ten state-owned general hospitals should be transferred promptly to local ownership. Uniform standards should be applied to all similar medical institutions.
5. An advisory committee for each major program area and an advisory board for the total Department should be established in place of the various boards, committees and commissions now attached to the central headquarters of the Department.
6. Responsibilities in the fields of child care, juvenile delinquency, and veterans services should be reorganized to become part of the unified welfare program.
7. Local administration of welfare functions should be made part of the structure of county government with state and local financing, operating under standards established by the state. A special legislative commission should be established to develop a detailed plan for this.
8. In addition to the legislation required by the specific recommendations in this report, the state's various welfare laws should be codified.

EXCERPT FROM ACT NO. 390 of July 13, 1957

Amending the Administrative Code of 1929 by creating the Department of Public Welfare and merging the Departments of Welfare and Public Assistance and extending their powers and duties to the Department of Public Welfare, to become effective on or before June 1, 1958.

"The Governor shall appoint a committee consisting of representatives of the two merged departments, the General Assembly and others interested in the functions and duties of the departments involved herein, to complete the details of the merger in an orderly and efficient manner, reorganize the various bureaus and agencies so that they perform their tasks with maximum effectiveness and efficiency, and with authority to make recommendations and prepare additional legislation, if needed, to the end that the purposes of this bill may be effectuated and functions and programs be appropriately assigned to the various departments and agencies." (Section 26)

MISSION OF COMMITTEE

1. To develop a plan of organization at both State and local government levels which will facilitate most effective and economical performance and coordination of social welfare functions based on broad principles and policy guides concerning the State's responsibilities for administration of social welfare functions, encompassing all functions now performed by the Departments of Welfare and Public Assistance, giving due consideration to related social welfare functions performed by other State agencies, local governments, and private social welfare agencies.
2. To develop specific steps for implementing recommended reorganization based upon principles for allocating responsibility for administering and financing social welfare functions among State and local governments and private agencies;
 - (a) Steps to be taken as of June 1, 1958, to implement such portions of recommended reorganization as are practicable and possible under existing legislation.
 - (b) Steps to be taken to complete reorganization such as will require legislation, together with recommended legislation.

Adopted December 3, 1957

Merger Concepts and Principles

In approaching the task of developing a plan for merging the Departments of Welfare and Public Assistance, the Committee has recognized that the basic concept underlying the Commonwealth's merged welfare program should be to deal with the client's inter-related needs as a whole, and that services should be oriented toward helping the individual to achieve or regain early self-dependence.

With this general and basic concept in mind, the Committee recommends certain principles as a basis for planning the merger of the functions of the two Departments, and as guides and objectives to the merged Department of Public Welfare:

1. The merger should be based upon the functions as provided by present legislation, but the new Department should be so organized as to allow administrative adjustment to meet future demands and circumstances.
2. The organizational plan of the merged Department of Public Welfare should provide maximum integration and coordination of the several social welfare functions assigned to it by law with due consideration for the improvement of professional practice in the various fields of service.

3. The merger should recognize organizationally that one of the basic responsibilities of the Department is to provide leadership in the development and coordination of public and private community welfare services to meet more effectively and economically the needs of the physically and mentally ill and retarded, the socially maladjusted, and the economically dependent.
4. The Department of Public Welfare should utilize to a maximum degree the services and skills of other State departments and voluntary agencies in developing minimal standards of care, particularly in the field of medical care and related services. This field and, in fact, the whole field of public health is one in which programs of the Departments of Public Welfare and Health and of several other State departments overlap and in which coordination of activities is highly essential to achieve the best public welfare and health programs.
5. The merger should provide for maximum decentralization of the administration of the State welfare program.
6. Immediately upon merger, the merit system should be extended to all positions in the State and regional offices of the Department of Public Welfare, with the exception of the Secretary and his principal aides, and as soon as practicable to all other positions in the Department, including the State institutions. (1)

In clarification of this point (6) the Committee stated at its June 9, 1958 meeting that the above "means (1) that all employees up to the level of the Secretary's Office shall be under the

- (1) None of the material which follows under point 6 was included in the original Interim Report and is here inserted as amendments to that Report.

merit system and (2) that the Deputy Secretary for Coordination shall be a professionally qualified person in the field of social welfare." In addition, the Committee stated at its May 23, 1958 meeting that (3) "the Deputy for Coordination may have specific activities assigned to him and that his title may be broadened to that of Deputy for Social Welfare and Coordination, provided that the function of this Deputy be clearly understood to encompass the coordination of mental health functions as well as other functions of the department."

PHASE I

Organization of the Department
of Public Welfare

Introduction to Phase I

This phase consists of the original Interim Report of the Merger Committee as submitted on April 1, 1958. Since that date certain administrative steps have been taken in response to the Interim Report, which in their sum created the Department of Public Welfare. The Interim Report is repeated as Phase I of this report because many of the active recommendations in Phase II can be fully understood only in conjunction with recommendations made in the Interim Report.

COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S COMMITTEE ON MERGER
OF THE
DEPARTMENTS OF WELFARE AND PUBLIC ASSISTANCE

Harrisburg

April 1, 1958

The Honorable George M. Leader
Governor of the Commonwealth of Pennsylvania
State Capitol
Harrisburg, Pennsylvania

Dear Governor Leader:

The Governor's Committee on Merger of the Departments of Welfare and Public Assistance, appointed by you in accordance with Act 390 of 1957, submits herewith its Interim Report, outlining its proposed plan of organization for the merged Department of Public Welfare to become effective on or before June 1, 1958.

The function of the Committee, as stipulated by Act 390, and as further delineated by the Committee in the attached Statement of Mission adopted on December 3, 1957, involves two separable although related phases of activity.

The first, and most immediate, assignment calls for development of a plan for merging not later than June 1, 1958, of the present functions of the Departments of Welfare and Public Assistance under existing laws into a unified Department of Public Welfare.

The second, longer-range, phase of the Committee's assignment involves the formulation of recommendations and proposed legislation, deemed necessary to further implement the merger and to effectuate the purposes of the merger Act.

The Committee's attention and efforts to date have been directed primarily to the first phase of its assignment. The attached Interim Re-

port incorporates the product of this first phase of the Committee's work. It sets forth the judgments and recommendations of the Committee as to an organizational framework which, under existing laws, will provide for orderly integration and for effective and economical administration and coordination of the social welfare functions of the merged departments.

In its approach to this first phase of its task, the Committee gave careful consideration to a preliminary report prepared by a staff group representing the merged departments and the Governor's Office of Administration. A series of special research studies bearing on specific aspects of public welfare organization, administration and inter-governmental relationships, prepared by the Committee's Research Staff, provided essential factual background for the Committee's deliberations. Committee representatives conferred and consulted with administrative officials of Departments of Public Assistance and Welfare of Pennsylvania and of neighboring states, and with regional officials of the U. S. Department of Health, Education and Welfare. Pertinent reports and recommendations of previous studies were reviewed and taken into consideration.

The recommended plan of organization is predicated on certain fundamental service concepts and administrative principles adopted by the Committee to serve as basic guides in its consideration of alternative organizational possibilities. These concepts and principles are presented in the attached Interim Report, together with a chart of the proposed organization of the merged Department and appended descriptions of the contemplated distribution of functions and administrative responsibilities within the proposed organization.

In submitting this Interim Report, the Committee gratefully acknowledges the technical guidance and assistance rendered voluntarily by its research staff: Mr. Manuel Kaufman, Deputy Commissioner of the Phila-

delphia Department of Public Welfare who served as Staff Coordinator; Mr. Charles Cella, Supervisor of the Government Consulting Service of the Institute of Local and State Government, University of Pennsylvania; and Mr. John Ingram, Director of the State Division, Pennsylvania Economy League. The Committee received much useful technical guidance from Dr. John Ferguson, Secretary of Administration, and his assistant, Mr. James W. Greenwood, Jr. This office also furnished secretarial and clerical services.

During the coming months, the Committee will turn its attention to the second phase of its assignment, concerned with the formulation of recommendations and legislative proposals to further implement the integration of the Commonwealth's social welfare functions. Upon completion of this phase of its work, it is anticipated that the Committee will prepare and submit its final report.

Respectfully yours,

Thomas B. Harvey
Chairman

A - Proposed Organization Plan

The proposed organization structure of the merged Department of Public Welfare, presented graphically in the attached chart, contemplates three principal administrative levels. These are:

The Secretary's Office - which includes the Secretary, his Deputy for Coordination and his staff aides. (The functions of the Secretary and of his principal staff units are outlined in Parts E and F of this report).

The Commissioners' Offices - which include the six Commissioners each having responsibility for a major functional area, their aides and staff assistants, and their subordinate bureaus and component organizational subdivisions. (The functions of each of the Commissioners' offices are described in Part E, below).

The Regional Offices - including the regional directors and their respective general administrative, staff and/or functional aides, and the county assistance offices within each region. The Committee proposes that initially a minimum of five regional offices be established; if needed, additional offices may be created later. (The functions of the regional office are shown in Part E, below).

B - Distribution of Responsibilities

The contemplated division of responsibility among the three administrative levels, outlined in detail in Part F below can be summarized as follows:

General Responsibilities of the Secretary

1. Develop broad departmental service objectives and administrative policies.

2. Approve functional objectives, programs and standards, issue necessary directives for their implementation, and review their performance and accomplishment.

3. Coordinate the programs and functions of the several Commissioners' offices with one another and with the regional office, to achieve an effectively inter-related and integrated departmental program.

4. Coordinate the administrative functions of the several regional offices, with one another and with the Commissioners' offices, to achieve uniform program performance and effectiveness in all geographic areas of the Commonwealth.

General Responsibilities of the Deputy Secretary for Coordination^{1/}

At its meeting of May 23, 1958 the full merger committee adopted the following statement in regard to this position. "This committee goes on record that it is a fair interpretation of its report that the Deputy for Coordination may have specific activities assigned to him and that his title may be broadened to that of Deputy for Social Welfare and a Coordination provided that the function of this Deputy be clearly understood to encompass the coordination of mental health functions as well as other functions of the department."

General Responsibilities of the Commissioners' Offices

1. Develop, for approval by the Secretary, program objectives and standards and related administrative plans and schedules including budget recommendations.

2. Provide professional guidance, consultation and assistance to regional offices, including professional staff training and development, to achieve and maintain uniformly competent professional performance throughout the State.

^{1/} This section was not included in the original Interim Report when it was submitted to the Governor on April 1, 1958 and is inserted here as an amendment to the original report.

3. Review and evaluate program performance and accomplishment in each region, to assure uniform service achievement throughout the State.

4. Administer certain centrally-directed statewide functions, including the management and operation of state-owned institutions and their ancillary services, the final approval and issuing of regulatory licenses, and the disbursement to individuals, institutions or agencies of assistance, grants or reimbursement payments, together with the hearing of claimants' appeals.

5. Recruit, select, train, promote and discharge all personnel under their supervision.

General Responsibilities of the Regional Offices

1. Stimulate, organize and give leadership in development and coordination of all public and private social welfare services at the community level.

2. Supervise and administer those departmental functions which are assigned to the regional and county levels, in accord and compliance with state-wide program policies, service standards, and uniform administrative policies and standards developed by the Commissioners' offices and/or the Secretary's office and approved by the Secretary. These functions would not encompass those centrally-directed functions assigned to the Commissioners, but the Commissioners may, with the Secretary's approval, delegate some of these to the Regional office. The Commissioners may utilize the regional level for coordination of all departmental programs.

3. Coordinate all regionally-administered programs and functions performed within the region.

4. With approval of the Secretary, develop regional operational plans including budget recommendations.

5. Assist in and provide facilities for the regional conduct of centralized functions which are the responsibility of the Commissioners' offices, including initial receipt and processing of license and subsidy or reimbursement applications, inspections for licenses or subsidies, providing physical facilities for regional assistance disbursement offices, and coordinating community services with related State institutional services.

6. Recruit, select, train, promote and discharge all personnel in the regional office.

C - Transitional Procedure

It is apparent that the division of administrative functions and responsibilities outlined above cannot be fully effected on the statutory date for establishment of the reorganized Department.

Functions which are now administered centrally, and which are to be decentralized to the regional level, cannot be delegated to the regional offices until those offices are established, organized and staffed.

To avoid interruption of services and to accomplish an orderly decentralization process during this transitional period, it will be necessary to continue to lodge direct responsibility for certain contemplated regional functions in the Commissioners' offices until the regional offices are, in the judgment of the Secretary, staffed to accept this responsibility.

This would apply particularly to the administration of public assistance and to the rendering of other direct services to individuals.

Boards, commissions and committees in the Departments of Public Assistance and Welfare cannot be changed substantively without the necessary legislation. However, it would be possible in the transitional

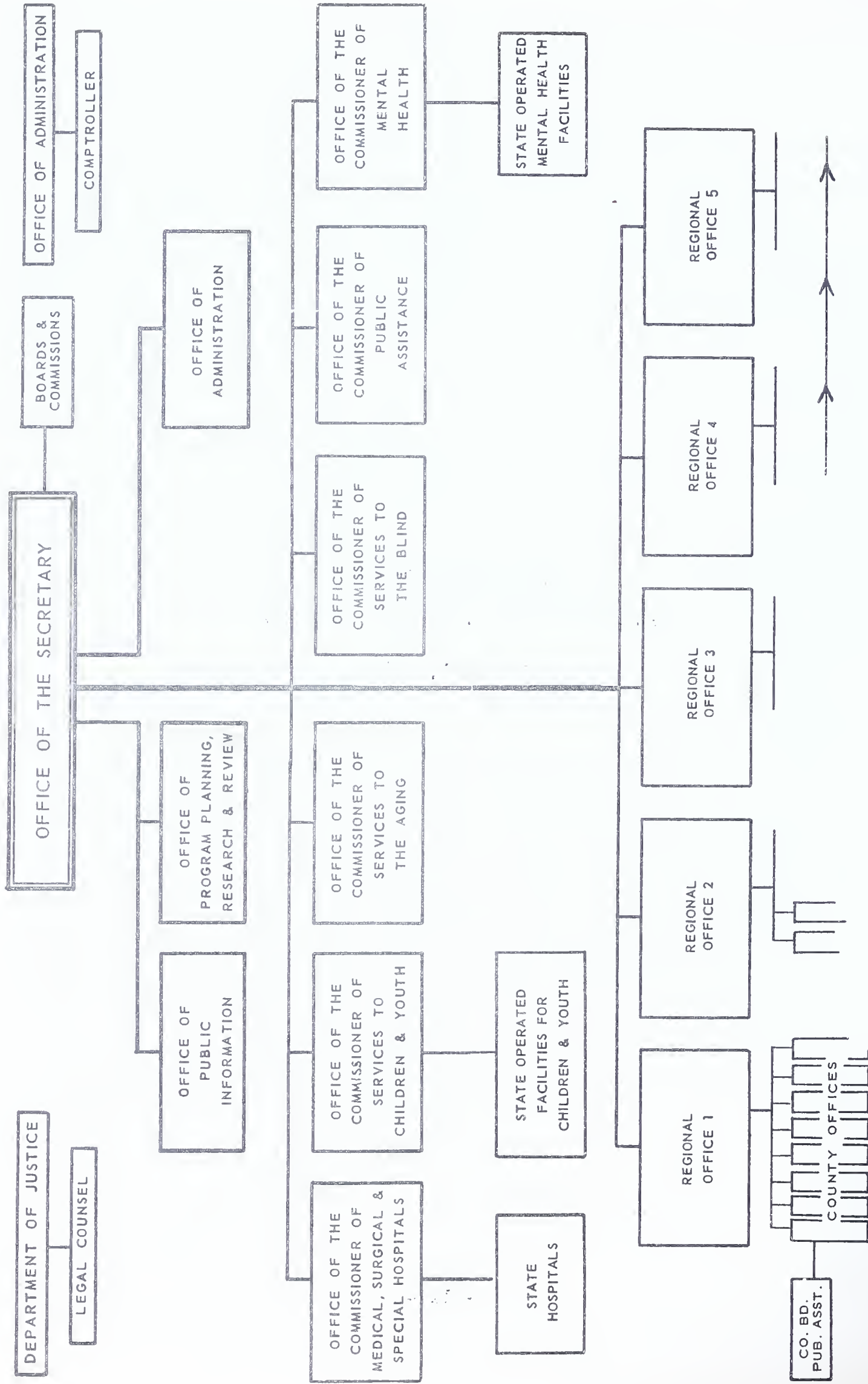
period for certain boards, commissions and committees to meet jointly to avoid duplication; for example, the State Board of Public Assistance and the Welfare Commission.

The Committee believes that substantial early progress toward implementing the proposed reorganization, including the establishment of at least five regional offices, can be achieved by reassigning present staff, and that within existing budgetary limits more effective and economical use of presently available resources of the combined agencies can thereby be achieved.

ORGANIZATION CHART I

As submitted by the Merger Committee
in April, 1958

DEPARTMENT OF PUBLIC WELFARE



ORGANIZATION CHART II

As officially adopted on December 9, 1958 after
consultation with the Steering Committee of the
Merger Committee

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graph TD
    DJS[DEPARTMENT OF JUSTICE] --- LC[LEGAL COUNSEL]
    OA[OFFICE OF ADMINISTRATION] --- C[COMPTROLLER]
    BSC[BOARDS & COMMISSIONS] --- DSC[DEPUTY SECRETARY FOR COORDINATION]
    DSC --- DSH[DEPUTY - MENTAL HEALTH]
    DSC --- OAP[OFFICE OF ADMINISTRATIVE SERVICES]
    OAP --- BDM[BUREAU OF BUDGET & METHODS]
    OAP --- BP[BUREAU OF PERSONNEL]
    OAP --- BPA[BUREAU OF PROCUREMENT AND ADMINISTRATIVE SERVICES]
    OAP --- BIS[BUREAU OF INSTITUTIONAL STANDARDS AND CONSTRUCTION]
    DSC --- OPR[OFFICE OF PROGRAM PLANNING, RESEARCH & REVIEW]
    DSC --- OPI[OFFICE OF PUBLIC INFORMATION]
    DSC --- OGH[OFFICE OF GENERAL & SPECIAL HOSPITALS]
    OGH --- BHS[BUREAU OF HOSPITAL STANDARDS & SUPERVISION]
    OGH --- BHSU[BUREAU OF HOSPITAL SURVEY & CONSTRUCTION]
    OGH --- BOSH[BUREAU OF STATE-OWNED HOSPITALS]
    OGH --- SOI[STATE-OPERATED INSTITUTIONS]
    DSC --- OFB[OFFICE FOR THE BLIND]
    OFB --- BRSS[BUREAU OF REHABILITATION & SOCIAL SERVICES]
    OFB --- DOI[DIVISION OF DISABILITY DETERMINATION]
    DSC --- OFA[OFFICE FOR THE AGING]
    OFA --- BSS[BUREAU OF STANDARDS & SUPERVISION]
    OFA --- BCC[BUREAU OF COMMUNITY CONSULTATION]
    DSC --- OPH[OFFICE OF PUBLIC ASSISTANCE]
    OPH --- BOAS[BUREAU OF ASSISTANCE SERVICES]
    OPH --- BOF[BUREAU OF FINANCE]
    DSC --- OFCY[OFFICE FOR CHILDREN & YOUTH]
    OFCY --- BFCW[BUREAU OF FAMILY & CHILD WELFARE]
    OFCY --- BYS[BUREAU OF YOUTH SERVICES]
    OFCY --- SOI2[STATE-OPERATED INSTITUTIONS]
    DSC --- OMH[OFFICE OF MENTAL HEALTH]
    OMH --- BMH[BUREAU OF MENTAL HOSPITAL SERVICES]
    OMH --- BMHSC[BUREAU OF MENTAL HEALTH SERVICES FOR CHILDREN]
    OMH --- BMHC[BUREAU OF MENTAL HEALTH COMMUNITY SERVICES]
    OMH --- BMHRT[BUREAU OF MENTAL HEALTH RESEARCH & TRAINING]
    OMH --- SOI3[STATE-OPERATED INSTITUTIONS]
    DSC --- RO1[REGIONAL OFFICE 1]
    DSC --- RO2[REGIONAL OFFICE 2]
    DSC --- RO3[REGIONAL OFFICE 3]
    DSC --- RO4[REGIONAL OFFICE 4]
    DSC --- RO5[REGIONAL OFFICE 5]
  
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E. ALLOCATION OF FUNCTIONS AMONG MAJOR ORGANIZATIONAL
UNITS OF THE DEPARTMENT OF PUBLIC WELFARE

OFFICE OF THE SECRETARY

I - Administration:

Plans, directs and coordinates the various activities of the department.

Evaluates effectiveness of operations.

Establishes standards.

Formulates and secures concurrence in and adherence to administrative policies, practices and procedures.

Prepares and presents departmental budget.

Supervises fiscal management, personnel management, administrative controls and reporting, departmental organization and staff performance.

Coordinates programs of staff development and training.

Directs and coordinates regional operations.

Coordinates functions of Commissioners' offices.

2 - Program Development:

Reports to Governor on conditions of public welfare throughout the Commonwealth.

Evaluates and promotes program objectives.

Develops public understanding of welfare programs.

Provides leadership in formulating concepts, developing standards and improving quality of services rendered.

Coordinates program research.

3 - Legislative Relations:

Maintains constructive relationships with members of the State legislature.

Analyzes, interprets and presents the issues, costs and probable effect of legislative proposals concerned with welfare programs.

Develops legislative proposals as required for improving public welfare services.

4 - Public Relations:

Confers with general public and representatives of national, state and local official and voluntary organizations and agencies on various aspects of departmental activities and interests.

Maintains effective relationships with members of the press, radio and television.

Participates in national, state and local conferences, meetings and hearings.

5 - Relations with Departmental Boards, Committees and Commissions:

Establishes and maintains close working relationships with Departmental Boards, Committees and Commissions.

Provides staff services for Departmental Boards, Committees and Commissions.

6 - Federal Relations:

Represents the Commonwealth in receiving Federal funds and administers Federally-aided programs under the Department.

DEPARTMENTAL STAFF UNITS

Office of Administration

Assists in the coordination of departmental budget recommendations.

Assists in budgetary and financial planning; maintains prescribed fiscal controls; prepares reports of budgetary execution.

Assists in the administration of a comprehensive personnel program, including the maintenance of necessary controls to ensure adherence to established policies and procedures governing personnel actions, and designed to assist in the development and maintenance of both an effective staff of employees and satisfactory work relationships between the Department and the employees.

Assists in organization and methods planning; consults with and assists operating units in the development and issuance of procedures; conducts studies and surveys of organization, methods, procedures, records, forms, office layout.

Administers central procurement, property management, and office services functions.

Office of Program Planning, Research and Review

Processes and interprets regular, recurring statistical reports on departmental program activities, oriented particularly toward appraisal of program effectiveness.

Conducts special analytical research projects in selected program areas, in cooperation with Commissioners' offices.

Conducts coordinated program planning and evaluation.

Consults and assists operating units in technical statistical and research procedures.

Office of Public Information

Assists the Secretary and other department officials in all phases of public relations.

Assists in developing a public education program including the preparation, editing, publication and distribution of printed reports and materials issued by the Department.

COMMISSIONERS' OFFICES

Office of Commissioner of Mental Health

Directs state mental health institutions and other state-operated facilities for the mentally ill, mentally retarded, and epileptic, and prepares plans for future development of these facilities.

Receives and disburses federal and state subsidies for local mental health programs.

Develops and supervises programs for the integration of state institutions with local communities, including after care and placement prior to final discharge.

Prepares plans, in cooperation with regional office, for community mental health programs, and where not state-operated, sets and enforces professional standards for such programs.

Administers interstate program of placement of mental patients.

Develops and supervises programs for the prevention and understanding of mental illness.

Establishes and enforces minimum standards of care for licensed private facilities.

Develops and supervises research projects in the field of mental illness and mental retardation.

Develops and carries out appropriate programs of training of professional personnel in the field of mental health.

Consults with the Advisory Council on Mental Health.

Provides professional guidance to the regional organization for the rendering of non-medical community services supportive to the treatment of the mentally ill.

Office of Commissioner of Public Assistance

Provides professional direction for state programs and payments of financial aid to the needy, including: Old Age Assistance, Aid to Dependent Children, Aid to the Blind, General Assistance, Aid to the Permanently and Totally Disabled.

Establishes standards and administers a program of payments for the purchase of medical and hospital care and treatment for persons receiving public assistance.

Establishes eligibility standards for financial assistance for all programs of the Department of Public Welfare involving direct payments to individuals.

Through the regional offices supervises and audits performance of County Boards of Public Assistance.

Develops policies and procedures for appeals of applicants and claimants for public assistance.

Develops policies and through regional office administers procedures in the county offices for casework and referral services and the utilization of community resources in eliminating and alleviating the causes of dependency.

Develops and supervises research projects in the field of public assistance.

Initiates programs of training professional personnel in Public Assistance.

Office of Commissioner of Services to Children and Youth

Administers state-owned institutions and other facilities for child care.

Through the regional offices supervises public and private child care institutions and agencies.

Administers state reimbursement and grants to public and private child welfare agencies.

Provides professional counsel and assists in organization and development of community child welfare services.

Develops prevention and rehabilitation programs in the field of juvenile delinquency.

Supervises interstate program of child placement.

Through regional offices supervises program of licensure of boarding homes for infants and children.

Through regional offices supervises approval of adoption agencies.

Establishes minimum standards for public and voluntary child care agencies and institutions.

Develops and supervises research projects in the field of services to children and youth.

Initiates programs of training professional personnel in children's services.

Office of the Commissioner of Services to the Blind

Develops programs for the prevention of blindness.

Through regional offices develops and supervises program for vocational rehabilitation of blind and visually handicapped, including administration of the state's business enterprises program.

Through regional offices supervises the provision of direct casework services for the blind, including pre-school counseling, home teaching, etc.

Through regional offices supervises the distribution of talking books and low vision aids.

Determines disability benefits under Title II, Social Security Act.

Provides professional consultation and administers grants to agencies involved in the prevention and treatment of blindness, and rehabilitation of the blind.

Develops and supervises research projects in the prevention and treatment of blindness and rehabilitation of the blind.

Initiates programs of training professional personnel in the field of blindness.

Office of the Commissioner of Services to the Aging

Through regional offices licenses and supervises private and public homes and institutions for the aged.

Administers program of state aid to institutions for indigent infirm and aged.

Through regional offices provides professional consultation and assists in the organization and development of community services for the aged.

Develops and supervises research projects in the field of services for the aging.

Initiates programs for the training of professional personnel in services for the aging.

Office of Commissioner of Medical, Surgical, and Special Hospitals

Supervises state-owned general hospitals (state hospitals operate under administrative boards).

Through regional offices licenses and/or supervises private and public hospitals.

Administers state responsibilities under Hill-Burton Act.

Administers present program of state aid to hospitals for the care of the indigent sick.

REGIONAL OFFICE (FIVE)

Represents the Department in a specific region of Commonwealth.

Coordinates and administers all programs of the Department not otherwise assigned to the Commissioners.

Reports to Secretary's office on plans, progress and problems in region.

Evaluates organization of community welfare programs and services in region.

Assists in improving and strengthening organization of community welfare programs and services in region.

Consults with appropriate Commissioners' offices regarding specific aspects of program as need arises.

Makes available to local offices professional consultant staff.

Plans and convenes staff meetings for regional departmental personnel.

Develops and maintains constructive relationships with local public and voluntary welfare agencies in region.

Interim Report of the Governor's
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ments of Welfare and Public Assistance

APPENDIX

F. ALLOCATION OF RESPONSIBILITIES AMONG ORGANIZATIONAL LEVELS
OF THE DEPARTMENT OF PUBLIC WELFARE

SECRETARY'S OFFICE

Community Services

Approve program objectives and plans and coordinate with related programs; issue directives to regional offices; review and coordinate program and regional activities

Direct Services to Individuals

Approve statewide policies and programs and issue directives to implement; coordinate inter-program and inter-regional activities

Assistance Payments to Individuals

Approve statewide plans, policies, standards; coordinate inter-program and inter-regional activities; maintain formal liaison with Federal agencies

COMMISSIONERS' OFFICES

Develop statewide objectives, programs, plans for Secretary's approval; review and evaluate regional performance for inter-regional uniformity; provide professional consultation to Secretary and regional offices

Develop statewide policies and programs; develop administrative casework standards and conduct professional training; provide professional consultation to regions; evaluate regional activities for inter-regional coordination

Develop statewide plans, eligibility and benefit standards, administrative policies and standards; audit assistance claims; review and inspect field performance; hear appeals; supervise and administer payments; maintain liaison with Federal agencies as delegated by Secretary

REGIONAL OFFICES

Organize and administer regional program in compliance with statewide policies and plans, coordinating with related regional programs and consulting with Commissioner's staff

Organize and administer regional programs and services in compliance with statewide plans and standards, consulting with Commissioners' staff; coordinate related casework services within region

Supervise and inspect administration by county assistance offices in region for compliance with approved statewide policies and standards; consult with and report on administrative activities to Commissioners; provide facilities for regional disbursement offices; maintain liaison with County Assistance Boards

SECRETARY'S OFFICE

COMMISSIONERS' OFFICES

REGIONAL OFFICES

State-Owned Institutional Management

Approve institutional policies and standards; review administrative performance; coordinate institutional programs and services

Develop institutional policies and programs; supervise and administer institutions and ancillary services; coordinate institutional with other related non-institutional programs

Coordinate community programs and services with related institutional services

Regulation of Public and Private Institutions

Approve regulatory policies and standards; coordinate all inter-agency regulatory activities

Develop institutional regulatory standards; develop administrative procedures for inspection and licensing; give final review and approval to license applications; issue and enforce compliance with violation notices and orders; issue Licenses; hear appeals

Supervise inspection of institutions in region; receive applications, give initial review, forward with recommendations to Commissioners; inspect for compliance with violation notices and report findings to Commissioners

Administration of Subsidies and Reimbursements to Public and Private Institutions and Agencies

Approve programs, policies and standards; coordinate inter-agency program

Develop programs, policies, eligibility standards for Secretary's or legislative approval; give final review and approval to claims and applications; hear claimant appeals; issue payment requisitions

Receive and give initial review of applications, and forward to Commissioners with recommendations; interpret programs to applicants; inspect for compliance with eligibility standards, as requested by Commissioners

PHASE II

Policies and Programs Needed

To Complete the Merger

Introduction to Phase II

The matters discussed in this section of the Report are, in general, those in which the Committee is recommending changes in practice in the two former separate departments. The Committee feels that the changes suggested are necessary to complete the administrative merger outlined in Phase I of this report.

The matters discussed in this section of the report are, in general, those in which the Committee is recommending changes from practices of the two former Departments. Policies and programs not mentioned in this section are either those in which the Committee does not have substantive recommendations for change or those whose evaluation would require more time than was available to the Committee.

A. PERSONNEL

The Department of Public Welfare is the primary agency of the State government concerned with the social welfare and financial needs of the people of Pennsylvania. The Department's programs directly affect the lives and well-being of hundreds of thousands of individuals and their families. The problems of mental health, of economic need, of family disorganization, of child care and delinquency, of old age, and of physical handicaps in modern society are extremely complex and the solutions to these problems are so difficult, and often so technical, that only the best qualified personnel can cope with them.

The Department of Public Welfare is one of the largest agencies of the State government. The costs of its operations are so great that the effectiveness of its personnel are major factors in ensuring the best use of the State tax dollar.

The connection between the programs of the Department and the lives of the many people that the Department serves, is so intimate that selection and retention of personnel to conduct those programs must be independent of all considerations except ability to do the job and satisfactory performance on the job.

The Committee, therefore, recommends a merit system of personnel administration for all positions in the Department of Public

Welfare, with the exception of the Secretary and his principal aides as defined in item 6 of "Merger Concepts and Principles", above. However, the size of the Department, the varieties of personnel needed, and geographical decentralization of operations require that merit system procedures be specially adapted to the needs of the Department. More specifically the Committee recommends:

1. All positions in the Central, or Harrisburg Office and in the Regional Offices, including all field personnel whose headquarters are in these offices, who are not covered by civil service, should be covered by a merit system under the jurisdiction of the State Civil Service Commission. The Commission should modify its usual practices so as to expedite selection and appointment of people with scarce and important skills by such devices as unassembled examinations.

2. Positions presently covered by a merit system should so continue but institutional positions not now under a merit system should be brought under a special merit system administered by the Department of Public Welfare with a maximum of decentralization. The Committee offers the following set of principles for such a system.

- (a) Employment - Employment shall be on the basis of possession of at least minimum qualifications as set forth in the individual job specifications. Promotions shall be based upon qualifications, performance on the job and, where other things are equal, length of service.
- (b) Tenure - Each newly appointed or promoted employee shall serve a six-month probationary period during which he may be removed, or returned to his previous job, at the pleasure of the appointing officer. Thereafter, he may be discharged only for cause and must be given a

statement in writing of the reasons for discharge; such discharges may be appealed to a special Review Board to be established by the State Civil Service Commission.

- (c) Transition - Employees in positions to be affected by this system should be given six months advance notice of the change.

B. FISCAL

The present pattern of state subsidies to a variety of private agencies and institutions is inequitable and illogical under current conditions. The Committee endorses the principle that all moneys raised by taxation and appropriated for the benefit of individuals who need help from the State should be under continuing control of public authority.

The Committee, therefore, recommends:

1. Direct appropriations by the Legislature to private agencies and institutions should be discontinued. Where it is desirable for the State to participate financially in services rendered by private agencies and institutions, the money should be appropriated to the Department of Public Welfare either for direct purchase of such services for individuals, or for a system of subsidies and reimbursements to local public agencies, such as County Institution Districts, meeting established standards, under uniform formulae stated in law.

2. To implement the above and to take full advantage of Federal aid, funds now appropriated as "state-aid" to hospitals should be appropriated to the Department of Public Welfare for the purchase of hospital care as public assistance. Included in this purchase of care program should be hospital care provided by local public hospitals as well as by voluntary hospitals, and care provided the "medically needy" (persons who have sufficient resources for their ordinary expenses but not enough

to pay for hospital care) as well as care provided the "needy" (persons receiving public assistance grants). After the transfer of the 10 state-owned general hospitals, in accordance with the recommendations in C below, the funds now appropriated for the maintenance of the state-owned hospitals should also be appropriated to the Department for the purchase of care in public and private hospitals. The basic elements of this plan are:

- a. The appropriation should be a lump sum to the Department without designation of individual hospitals.
- b. The Department should determine the financial eligibility of persons for free or part free hospital care. This determination should be made by the staff administering public assistance under regulations providing that (1) all persons receiving public assistance money grants shall be eligible for hospital care paid by the Department, and (2) that persons not receiving public assistance money grants shall be eligible to the extent that their resources are inadequate to pay for hospital care in addition to the cost of a decent standard of living.
- c. The program should include all hospitals meeting established standards and should provide as much freedom to the hospitals as is consistent with obtaining maximum Federal funds.

3. Emergency hospital care, out-patient care, and clinic care should be paid for by the Department in the same way as bed-patient care.

C. HOSPITALS AND MEDICAL SERVICES

The potential benefits of integrating the general hospital and medical service programs of the former Departments of Welfare and Public Assistance, are among the most important results of the merger. Formerly the medical programs of the two departments had little relationship to

each other. The advances of modern medicine have resulted in a steadily increasing use of elaborate and expensive facilities and equipment available only in hospitals. Medical care is becoming more and more expensive and state expenditures are higher year by year. Furthermore, the merger itself makes possible changes often proposed before.

The Committee recommends:

1. The ten state-owned general hospitals should be transferred to local ownership no later than July 1, 1963. Administration of these hospitals should remain in the Department of Public Welfare until this transfer is made. The following considerations should govern this transfer:

- a. The local ownership may be public, non-profit or proprietary, whichever best fits the local situation. The terms of the transfer should be individually determined for each hospital.
- b. Arrangements for the transfers should be worked out by state-financed community hospital surveys by competent, disinterested persons so as to determine the best ways and means. The Committee has noted with approval a pioneering survey of this sort already made concerning the Scranton State Hospital.
- c. The Legislature should provide interim financing for the hospitals during the transfer. After the transfer the Department should purchase care for individuals from these hospitals as provided in B. above.
- d. Present rights of employees in these hospitals for retirement benefits should be preserved.

2. Responsibility for determination of ability of patients in all Department of Public Welfare institutions to pay for services should

be transferred from the Department of Revenue to the Department of Public Welfare. The possibility of designating employees of the Department of Public Welfare as Revenue Agents for the Department of Revenue for the purpose of collecting fees from patients should also be considered in the interest of economy.

3. Public and non-profit hospitals and nursing homes should be licensed in the same way as proprietary hospitals and nursing homes so that uniform standards may be applied to all hospitals and to all nursing homes.

4. Licensing standards should be kept simple and should be based on the standards of recognized national organizations that have established such standards.

5. Consultative services should be offered in connection with inspection and licensing.

6. The hospital survey and construction program, as well as the licensing of hospitals and nursing homes should remain in the Department of Public Welfare.

7. Public assistance payments for medical care (including nursing home care) should be increased to recognize actual costs of adequate care. A program of payment for care of patients in their own homes should be instituted as part of the public assistance program. If this is done additional Federal funds will be available. Home medical care and homemaker programs can substantially reduce hospital costs.

D. BOARDS, COMMITTEES AND COMMISSIONS

Boards, committees and commissions constitute an important part of the structure of the Department of Public Welfare. Most of these bodies have been established from time to time for a particular purpose, often without regard to existing similar groups. Some are advisory, some administrative and some are regulatory; some are appointed by the

Department, some by the Governor without Senate confirmation, and some by the Governor with Senate confirmation. The responsibilities of some of these groups are limited to a geographical area, some to an individual institution, and some to a particular program within a major function while others have responsibilities covering all aspects of a major function, or even all programs of the Department.

Since many of these boards, committees and commissions were created by legislation which was not specifically amended by the law creating the Department of Public Welfare and because the arrangement of boards considered advisable by the Committee will involve major changes in administration, the Committee considered the status of these groups separately from its proposals on organization of the Department which are discussed in Phase I of this report.

The Committee is of the opinion that boards should normally be free of administrative responsibilities. This is particularly true of part-time groups such as those in the Department of Public Welfare; most boards in the Department meet monthly or less often. Administrative responsibilities should be confined to the full-time paid staff of the Department who are accountable to the Secretary of the Department and through the Secretary to the Governor.

The Committee believes that there is immense value in citizen participation in the programs of the Department of Public Welfare in an advisory and consultative role. There is no more effective way of insuring that these programs are responsive to the needs of the people of Pennsylvania while retaining administrative authority in the full-time paid staff responsible through channels, to the highest elected official of the Commonwealth.

The Committee recommends.

1. Boards of Trustees of the 10 state-owned general hospitals should

remain administrative boards until the transfer to local ownership recommended in C. above. Similarly the duties of County Boards of Assistance should not be changed pending the development of a local welfare administrative structure as provided in F. below. The responsibilities of the Boards of Trustees of the Eastern Pennsylvania Psychiatric Institute, and of institutions not mentioned above are appropriate to their functions and require no change.

2. All other boards, committees and commissions in the Department should be abolished and replaced by one State Board of Public Welfare and Departmental Advisory Committees.
3. The composition and duties of the State Board of Public Welfare should be as follows:
 - (a) The Board should consist of the Secretary of Public Welfare as an ex-officio member and not more than 16 other persons appointed by the Governor.
 - (b) Membership on the Board should be granted automatically to one member of each of the several Departmental Advisory Committees (these are explained below).
 - (c) The Secretary of Public Welfare should be the only ex-officio member of the Board of Public Welfare.
 - (d) A chairman should be elected annually by the Board from among the members appointed by the Governor who are not members of a Departmental Advisory Committee.
 - (e) Members should serve overlapping terms of 6 years and none should serve more than 2 consecutive terms or hold office in any political party.
 - (f) The duties of the State Board of Public Welfare should be:

- (1) to participate in policy development and in formulation of long-range programs and objectives of the Department of Public Welfare;
- (2) to interpret these programs and objectives to the public;
- (3) to advise the Secretary of Public Welfare, the Governor, and the Legislature regarding public welfare matters.
- (4) the Board of Public Welfare should not be responsible for the approval of specific rules and/or regulations of the Department of Public Welfare.

4. Departmental Advisory Committees attached to the various program units should be appointed by the Governor. At present there are six such program units. The composition and duties of these committees should be as follows:

- (a) The number of members of each Departmental Advisory Committee and their qualifications should be determined by the Governor on recommendation of the State Board of Public Welfare provided that adequate provision is made for the representation of the professional fields of service and of lay groups in the fields of interest served by the program to which each Advisory Committee is attached:
- (b) Terms of office and conditions of appointment for the members of the Departmental Advisory Committee should be the same as those specified above for members of the State Board of Public Welfare;
- (c) The duties of the Departmental Advisory Committees should be:
 - (1) to advise the Commissioners to whom they are attached;
 - (2) to furnish advice regarding such matters as standards of eligibility for service, of payments to individuals, certification and licensure of institutions and

agencies, for the care and placement of children and adults, and such other matters as may by law require citizens review or which may be referred by the various offices which they advise;

- (3) to arrange and conduct public hearings as may be required by law or which they may on their own initiative determine necessary and advisable;
- (4) to advise on ways and means of coordination of public and private welfare activities;
- (5) to promote better public understanding of the programs to which they are attached;
- (6) to make recommendations to the State Board of Public Welfare on matters referred for consideration and advice, or as may be required to promote the effectiveness of the program to which they are attached.

E. REASSIGNMENT OF FUNCTIONS

The Committee's principle in this phase of its deliberations was to carry out the purpose of the merger by bringing together the operations which are logically parts of the functions of the Department of Public Welfare so as to obtain the maximum benefits of integrated administration of each such function. The functions brought together by the merger of the former Departments of Welfare and Public Assistance should be fitted together and the new organization proposed in the Appendix should be given a fair trial before making any changes beyond those recommended in C. above and those specified below.

The Committee recommends:

1. The Pennsylvania Institute for Defective Delinquents should be transferred from the Justice Department to the Department of Public Welfare.

The program of this institution is not so much one of penal affairs as it is one of mental health. If the patients are mentally defective, they should be treated within the same system that operates other institutions for defectives. This is consistent with the fact that Fairview, an institution for the criminally insane is in the Department of Public Welfare.

2. All state institutions for juvenile delinquents should be administered by the Department of Public Welfare and all other such institutions should be made part of a unified juvenile delinquency program as provided by Sections 2322 and 2323 of the Administrative Code. Legislation permitting commitment of juveniles to specific institutions should then be changed so that all such commitments are made to the Department of Public Welfare.

3. At present County Institution Districts receive State subsidies for the care of children under the Public Assistance Law (Section 9, c.2) and also by a reimbursement system authorized by Appropriation Acts. Section 9, c.2. of the Public Assistance Law should be repealed, the County Child Welfare Reimbursement Program should be enacted into substantive law with appropriate changes in the County Institution District Act, and all funds for State subsidy of County Child Welfare Programs should be appropriated for the reimbursement program.

4. Representatives of veterans organizations should be invited to consider with the Department of Public Welfare, whether the following special services for veterans and their dependents should be transferred to the Department of Public Welfare and integrated with the total welfare program.

- (a) The Scotland School for Veterans' Children presently under the Department of Public Instruction represents a segregated, institutional type of service not in accord with modern

concepts of child welfare which provide that, so far as is practical, all children should be given the opportunity of family life in a normal community - in a foster home if the child's own home is not available or acceptable. Institutions should be used only to meet special needs of children. After transfer of this school to the Department of Public Welfare, the Department should plan for and institute such care for the children in Scotland School. After that is done, the facility could well be used for the care of juvenile delinquents as part of the Department's integrated child welfare program.

(b) The Pennsylvania Soldiers and Sailors Home, presently under the Department of Military Affairs, is another example of segregation of veterans. Transfer of this institution to the Department of Public Welfare would make possible its integration into the total welfare program and adequate service to the guests in it. Federal financial participation might then be available for the cost of care of some of the inmates.

(c) The financial assistance program of the State Veterans' Commission duplicates, for a special group, the public assistance program. The SVC benefits to veterans are much lower than public assistance payments and are without Federal participation. If these appropriations were transferred to the Department of Public Welfare, a more adequate program could be developed.

5. Administration of the mental health program should remain in the Department of Public Welfare.

6. Whenever public funds constitute the bulk of a private institution's

resources, consideration should be given to acquisition and administration of the institution by the State. Since public funds constitute the larger percentage of the income of Glen Mills, Sleighton Farms and Elwyn and because the State apparently already has liens on these institutions because of appropriations for capital expenditures, they should be acquired by the State and administered by the Department of Public Welfare.

F. LOCAL ADMINISTRATION

The first report of this Committee, which is incorporated in Phase I of this Report, emphasized: (A) that to achieve the final fruits of the merger, the effort at the state level must be carried through so that the structure for welfare services rendered in the communities throughout the state reflects the same merger principle; and (B) that these welfare services can be administered best if there is a maximum amount of community responsibility, both administrative and financial, consonant with the principle that wherever a Pennsylvanian may reside, he has a right to certain basic welfare services which meet minimum standards of acceptability.

The Committee has studied this problem in greater depth and believes that the local welfare administration should have the following characteristics:

1. Geographic - The minimum local welfare unit should be the County; but provision should be made for multi-county units where the counties concerned consider that this will enable service to be rendered more effectively.

2. Administrative Responsibility - While the state Department of Public Welfare should continue to be ultimately responsible for the maintenance of adequate welfare services throughout the Commonwealth; to the extent practicable, administrative responsibility for the actual

rendering of services should reside in County Welfare Departments that are part of the County government structure. There should be County Welfare Boards of representative local citizens; appointed by both local and state authorities to reflect the shared responsibility, and to give the communities themselves the most effective voice in the rendering of welfare services.

3. Financing - There should be a basic and uniform pattern of subsidies and reimbursement arrangements based on appropriate formulae and accompanied by appropriate State standards by which the Commonwealth shares with local communities financial responsibility for welfare services. In order that these services may be rendered on a consistent and continuing basis, there should be legislative mandates governing the use of state funds in such operations. To supplement the basic pattern of service, counties should be encouraged to make local funds available for supplementary welfare services as desired. As with the State, payments to private agencies should be made on the purchase of service principle; and the County Welfare Departments should be an arm of the State for the purchase of service at the local level. They should also act for the State in considering applications for free or part-paid services in state-administered or state-aided welfare programs.

4. Program of Service - The County Welfare Department should make available to all people basic public welfare services, rendered by qualified personnel, in accordance with state-established standards both for service and for employment policies. In order that programs may best fit individual communities and areas throughout the state, and to encourage the maximum local initiative, it should be the responsibility of the County Welfare Department to propose plans for service to the state Department of Public Welfare, which should approve such plans if they meet established standards.

In addition to providing local welfare services, County Welfare Departments should assist the state in administering its statutory responsibility under the Non-Profit Corporation Act and its obligations regarding licensure and supervision of private welfare agencies. The County Welfare Department should participate in developing a total program of public and private services and should be active in community planning so as to insure the most effective utilization of private agencies and public-private financial relationships.

5. Legislative Commission - These recommendations are fundamental to the proper rendering of welfare services throughout the Commonwealth; but since they require changes in basic state welfare legislation, notably in the Public Assistance Act and the County Institution District Act, and in current patterns of rendering service, the Committee believes that they should receive the widest possible public scrutiny at both state and local levels, in order that when the legislation is finally introduced, it may be soundly conceived and have the greatest possible acceptance. The Committee recommends accordingly, that a public commission be established, with the charge to prepare a plan for the decentralization of responsibility for welfare services; to hold hearings thereon throughout the state, so that the views of those presently responsible for rendering these services, both public and private, be fully considered; and to submit appropriate legislation to a subsequent session of the Legislature. This commission should be adequately financed, so that a competent professional staff may be employed, with funds for traveling, for the expense of public hearings, and for office and clerical expense. If possible, the commission should be kept at a manageable size, but should be made broadly representative by choosing members who can speak for more than one field of interest. The Secretaries of Public Welfare and Health should be members, ex-officio.

G. WELFARE CODE

The laws relating to the Department of Public Welfare and its functions have been enacted at various times over periods of many years in response to conditions as they then existed, often without regard to legislation already in effect. The result is a patchwork quilt with many gaps and overlaps. In its deliberations the Committee was repeatedly impressed with the difficulty of finding a clear, definitive legal statement about specific programs and of the duties, functions, and responsibilities of the agencies and institutions, public and private, state and local that are concerned with public welfare.

This situation is not only a great handicap to proper and efficient administration but also makes it very difficult for a citizen of Pennsylvania to know his own rights and obligations.

Therefore, the Committee strongly urges that the Legislature take immediate action to have all of the various laws governing the operation of the Department of Public Welfare drawn up in the form of a single, comprehensive Welfare Code.

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